

Senate Study Bill 3132 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE
ON EDUCATION BILL BY
CHAIRPERSON SINCLAIR)

A BILL FOR

1 An Act relating to matters involving the state board of regents
2 and the institutions the state board of regents governs, and
3 including retroactive applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 8.44, subsection 1, Code 2020, is amended
2 to read as follows:

3 1. a. Upon receiving federal funds or any other funds from
4 any public or private sources except gifts or donations made
5 to institutions for the personal use or for the benefit of
6 members, patients, or inmates and receipts from the gift shop
7 of merchandise manufactured by members, patients, or inmates,
8 the state departments, agencies, boards, and institutions
9 receiving such funds shall submit a written report within
10 thirty days after receipt of the funds to the director of the
11 department of management. The report shall state the source of
12 the funds that supplement or replace state appropriations for
13 institutional operations, the amount received, and the terms
14 under which the funds are received.

15 b. Notwithstanding paragraph "a", the state board of regents
16 shall submit the written report required under paragraph "a" on
17 a quarterly basis in the format specified by the director of
18 the department of management.

19 Sec. 2. Section 8D.9, subsection 2, paragraph a, unnumbered
20 paragraph 1, Code 2020, is amended to read as follows:

21 A private or public agency, other than an institution under
22 the control of the state board of regents, a private college
23 or university, or a nonpublic school, which certifies to the
24 commission pursuant to subsection 1 that the agency is a
25 part of or intends to become a part of the network shall use
26 the network for all video, data, and voice requirements of
27 the agency unless the private or public agency petitions the
28 commission for a waiver and one of the following applies:

29 Sec. 3. Section 8D.9, subsection 2, paragraphs b and c, Code
30 2020, are amended to read as follows:

31 b. A private or public agency, other than an institution
32 under the control of the state board of regents, a private
33 college or university, or a nonpublic school, shall petition
34 the commission for a waiver of the requirement to use the
35 network as provided in paragraph "a", if the agency determines

1 that paragraph "a", subparagraph (1) or (2) applies. The
 2 commission shall establish by rule a review process for
 3 determining, upon application of an authorized user, whether
 4 paragraph "a", subparagraph (1) or (2) applies. An authorized
 5 user found by the commission to be under contract for such
 6 services as provided in paragraph "a", subparagraph (2), shall
 7 not enter into another contract upon the expiration of such
 8 contract, but shall utilize the network for such services as
 9 provided in [this section](#) unless paragraph "a", subparagraph
 10 (1), applies. A waiver approved by the commission may be for
 11 a period as requested by the private or public agency of up to
 12 three years.

13 c. A An institution under the control of the state board
 14 of regents, a private college or university, or a nonpublic
 15 school which certifies to the commission pursuant to subsection
 16 1 that the private college, university, or nonpublic school it
 17 is a part of or intends to become a part of the network may
 18 use the network for its video, data, or voice requirements
 19 as determined by the regents institution, private college or
 20 university, or nonpublic school.

21 Sec. 4. Section 21.5, subsection 1, paragraph 1, Code 2020,
 22 is amended to read as follows:

23 1. To discuss patient care quality and process improvement
 24 initiatives in a meeting of a public hospital or to discuss
 25 marketing and pricing strategies or similar proprietary
 26 information in a meeting of a public hospital, where public
 27 disclosure of such information would harm such a hospital's
 28 competitive position when no public purpose would be served
 29 by public disclosure. The minutes and the audio recording of
 30 a closed session under this paragraph shall be available for
 31 public inspection when the public disclosure would no longer
 32 harm the hospital's competitive position. For purposes of
 33 this paragraph, "public hospital" means a hospital licensed
 34 pursuant to [chapter 135B](#) and governed pursuant to [chapter 145A](#),
 35 [226](#), [347](#), [347A](#), or [392](#), or a health care facility operated by

1 an institution governed by the state board of regents. This
2 paragraph does not apply to the information required to be
3 disclosed pursuant to [section 347.13, subsection 11](#), or to any
4 discussions relating to terms or conditions of employment,
5 including but not limited to compensation of an officer or
6 employee or group of officers or employees.

7 Sec. 5. Section 22.7, Code 2020, is amended by adding the
8 following new subsection:

9 NEW SUBSECTION. 74. Proprietary intellectual property
10 owned or held under contractual agreements by the state board
11 of regents or by an institution of higher education under the
12 board's control.

13 Sec. 6. Section 23A.2, subsection 10, paragraph k,
14 unnumbered paragraph 1, Code 2020, is amended to read as
15 follows:

16 The following ~~on-campus~~ activities of an institution or
17 school under the control of the state board of regents or a
18 school corporation:

19 Sec. 7. Section 23A.2, subsection 10, paragraph k,
20 subparagraphs (8) and (9), Code 2020, are amended to read as
21 follows:

22 (8) ~~Services~~ Health care and related services to patients
23 and visitors ~~at~~ by the university of Iowa ~~hospitals and~~
24 ~~clinics, except as specifically listed in~~ [subsection 2](#),
25 ~~paragraph "d"~~.

26 (9) Goods, products, or professional services ~~which are~~
27 ~~produced, created, or sold incidental to the schools' teaching,~~
28 ~~research, and extension missions~~ provided to the public in
29 furtherance of the institution's or school's mission.

30 Sec. 8. Section 103.22, subsection 2, Code 2020, is amended
31 to read as follows:

32 2. Require employees of municipal utilities, electric
33 membership or cooperative associations, investor-owned
34 utilities, rural water associations or districts, railroads,
35 telecommunications companies, franchised cable television

1 operators, institutions under the control of the state board
2 of regents, farms, or commercial or industrial companies
3 performing manufacturing, installation, and repair work for
4 such employer to hold licenses while acting within the scope
5 of their employment. An employee of a farm does not include a
6 person who is employed for the primary purpose of installing
7 a new electrical installation.

8 Sec. 9. Section 135P.1, subsection 3, Code 2020, is amended
9 to read as follows:

10 3. "*Health facility*" means an institutional health facility
11 as defined in [section 135.61](#), hospice licensed under chapter
12 135J, home health agency as defined in [section 144D.1](#), assisted
13 living program certified under [chapter 231C](#), clinic, ~~or~~
14 community health center, or the university of Iowa hospitals
15 and clinics, and includes any corporation, professional
16 corporation, partnership, limited liability company, limited
17 liability partnership, or other entity comprised of such health
18 facilities.

19 Sec. 10. Section 135P.3, subsection 1, unnumbered paragraph
20 1, Code 2020, is amended to read as follows:

21 If an adverse health care incident occurs in a health
22 facility, the health care provider, the health care facility,
23 or the health care provider jointly with the health facility,
24 may provide the patient with written notice of the desire of
25 the health care provider, the health care facility, or of the
26 health care provider jointly with the health facility, to enter
27 into an open discussion under [this chapter](#). A health care
28 facility may designate a person or class of persons who have
29 authority to provide such notice on behalf of the facility.
30 If the health care provider or health facility provides such
31 notice, such notice must be sent within one ~~hundred eighty days~~
32 year after the date on which the health care provider knew, or
33 through the use of diligence should have known, of the adverse
34 health care incident. The notice must include all of the
35 following:

1 Sec. 11. Section 262.9, subsection 22, Code 2020, is amended
2 by striking the subsection.

3 Sec. 12. Section 262.9, subsection 36, paragraphs a and b,
4 Code 2020, are amended to read as follows:

5 a. A continuous improvement plan shall be developed and
6 implemented built upon the results of the institution's student
7 outcomes assessment program ~~using the following phase in~~
8 ~~timeline:.~~

9 ~~(1) For each course with typical annual enrollment of~~
10 ~~three hundred or more, whether in one or multiple sections, a~~
11 ~~continuous improvement plan shall be developed and implemented~~
12 ~~beginning in the fall semester of 2013.~~

13 ~~(2) For each course with typical annual enrollment of two~~
14 ~~hundred or more but less than three hundred, whether in one~~
15 ~~or multiple sections, a continuous improvement plan shall be~~
16 ~~developed and implemented beginning in the fall semester of~~
17 ~~2014.~~

18 ~~(3) For each course with a typical annual enrollment of~~
19 ~~one hundred or more but less than two hundred, whether in one~~
20 ~~or multiple sections, a continuous improvement plan shall be~~
21 ~~developed and implemented beginning in the fall semester of~~
22 ~~2015.~~

23 b. ~~For each undergraduate course, the institution shall~~
24 ~~collect and use the results of formative and summative~~
25 ~~assessments in its continuous improvement plan. The board~~
26 ~~shall annually evaluate the effectiveness of the plans student~~
27 ~~outcomes assessment program and shall submit an executive~~
28 ~~summary of its findings and recommendations in its annual~~
29 ~~strategic plan progress report, a copy of which shall be~~
30 ~~submitted to the general assembly.~~

31 Sec. 13. Section 262.9B, subsection 5, Code 2020, is amended
32 by striking the subsection.

33 Sec. 14. Section 262.14, subsection 3, Code 2020, is amended
34 by adding the following new paragraph:

35 NEW PARAGRAPH. f. Funds belonging to an institution

1 governed by the board may be invested in private enterprises
2 if such investment is made in furtherance of the institution's
3 mission.

4 Sec. 15. Section 262.26, Code 2020, is amended to read as
5 follows:

6 **262.26 Report of board.**

7 The board shall, ~~biennially, at the time provided by~~
8 ~~law,~~ report to the governor and the legislature such facts,
9 observations, and conclusions respecting each of ~~such the~~
10 institutions under its control as in the judgment of the board
11 should be considered by the legislature. Such report shall
12 contain an itemized account of the receipts and expenditures
13 of the board, and also the reports made to the board by the
14 executive officers of the several institutions or a summary
15 thereof, and shall submit budgets for biennial appropriations
16 deemed necessary and proper to be made for the support of
17 the several institutions and for the extraordinary and
18 special expenditures for buildings, betterments, and other
19 improvements.

20 Sec. 16. Section 262.28, Code 2020, is amended to read as
21 follows:

22 **262.28 Appropriations — monthly installments — ~~transfers.~~**

23 ~~1.~~ All appropriations made payable annually to each of the
24 institutions under the control of the board of regents shall be
25 paid in twelve equal monthly installments on the last day of
26 each month on order of said board.

27 ~~2. In lieu of the consent and notification requirements of~~
28 ~~section 8.39, the board may transfer moneys appropriated for~~
29 ~~the purposes of the southwest Iowa regents resource center, the~~
30 ~~northwest Iowa regents resource center, and the quad cities~~
31 ~~graduate studies center between such centers if the board~~
32 ~~notifies, in writing, the general assembly and the legislative~~
33 ~~services agency of the amount, the date, and the purpose of the~~
34 ~~transfer.~~

35 Sec. 17. NEW SECTION. **262B.4 General powers — ownership or**

1 **equity interests.**

2 Any institution under the control of the state board of
3 regents may use its retained earnings, or the retained earnings
4 of an affiliated entity, to acquire, hold, and dispose of
5 ownership or equity interests in entities that arise from
6 research and development efforts conducted at such institution
7 in accordance with this chapter.

8 Sec. 18. Section 263.12, Code 2020, is amended to read as
9 follows:

10 **263.12 Payment by counties.**

11 The provisions of sections 270.4 to and 270.8, inclusive,
12 are hereby made applicable to the university of Iowa hospitals
13 and clinics' center for disabilities and development.

14 Sec. 19. Section 263.17, subsection 4, Code 2020, is amended
15 to read as follows:

16 4. An advisory committee consisting of one representative
17 of each of the organizations enumerated in subsection 2,
18 paragraph "a", is established. The advisory committee shall:
19 a. Employ employ, as a state employee, a full-time
20 director to operate the center. The director shall coordinate
21 the efforts of the heads of each of the major divisions of
22 laboratory analysis, epidemiology and biostatistics, biomedical
23 assays, and exposure modeling and shall also coordinate the
24 efforts of professional and support staff in the operation of
25 the center.

26 ~~b. Submit an annual report of the activities of the center~~
27 ~~to the legislative council of the general assembly by January~~
28 ~~15 of each year.~~

29 Sec. 20. Section 266.39E, subsection 3, Code 2020, is
30 amended by striking the subsection.

31 Sec. 21. Section 269.2, Code 2020, is amended to read as
32 follows:

33 **269.2 Expenses — residence of indigents.**

34 The provisions of sections 270.4 to and 270.8, inclusive,
35 are hereby made applicable to the Iowa braille and sight saving

1 school.

2 Sec. 22. Section 270.3, Code 2020, is amended to read as
3 follows:

4 **270.3 Admission.**

5 Any resident of the state less than twenty-one years of
6 age, who has a hearing loss which is too severe to acquire
7 an education in the public schools is eligible to attend the
8 school for the deaf. Nonresidents similarly situated may be
9 admitted to an education therein upon such terms as may be
10 fixed by the state board of regents. The fee for nonresidents
11 shall be ~~not less than the average expense of resident pupils~~
12 ~~and shall be paid in advance~~ set by the state board of regents.

13 Sec. 23. Section 270.4, Code 2020, is amended to read as
14 follows:

15 **270.4 Clothing, and prescriptions, ~~and transportation.~~**

16 The superintendent shall provide students, who would
17 otherwise be without, with clothing, or prescription refills,
18 ~~or transportation,~~ and shall bill the student's parent or
19 guardian, if the student is a minor, or the student if the
20 student has attained the age of majority, for any clothing, or
21 prescription refills, ~~or transportation~~ provided. The bill
22 shall be presumptive evidence in all courts.

23 Sec. 24. Section 282.18, subsections 16 and 17, Code 2020,
24 are amended by striking the subsections.

25 Sec. 25. Section 331.502, subsection 15, Code 2020, is
26 amended by striking the subsection.

27 Sec. 26. 2019 Iowa Acts, chapter 135, section 9, subsection
28 1, paragraph a, unnumbered paragraph 2, is amended to read as
29 follows:

30 ~~The~~ For the fiscal year beginning July 1, 2019, and ending
31 June 30, 2020, the state board of regents shall submit a
32 ~~monthly~~ quarterly financial report to the general assembly and
33 the legislative services agency in a format agreed upon by the
34 state board of regents office and the legislative services
35 agency. The report submitted ~~in~~ for the quarter ending

1 December 31, 2019, shall include the five-year graduation rates
2 for the regents universities.

3 Sec. 27. REPEAL. Chapter 256G, Code 2020, is repealed.

4 Sec. 28. REPEAL. Sections 262.24, 262.25, 267A.7, 270.5,
5 270.6, and 270.7, Code 2020, are repealed.

6 Sec. 29. RETROACTIVE APPLICABILITY. The following applies
7 retroactively to July 1, 2019:

8 The section of this Act amending 2019 Iowa Acts, chapter 135,
9 section 9, subsection 1, paragraph "a", unnumbered paragraph 2.

10 EXPLANATION

11 The inclusion of this explanation does not constitute agreement with
12 the explanation's substance by the members of the general assembly.

13 This bill relates to matters involving the state board
14 of regents and the institutions it governs, specifically to
15 Iowa communications network waivers, exemptions under the
16 open meetings and open records laws, competition with private
17 enterprise, licensure requirements for certain employees,
18 adverse health care incident notification, continuous
19 improvement plan requirements, regents resource centers,
20 ownership or equity interests, the commercialization of
21 research, investments, special schools, the research and
22 development school, and reporting requirements.

23 USE OF IOWA TELECOMMUNICATIONS NETWORK (ICN) WAIVER. Code
24 section 8D.9 is amended to exempt regents institutions from a
25 requirement that they certify to the telecommunications and
26 technology commission that they are or intend to be part of
27 the network, and to use the network for all video, data, and
28 voice requirements unless they petition the commission for
29 a waiver; and from a provision requiring such institutions
30 to petition the commission for a waiver. The bill allows a
31 regents institution to become part of and use the ICN for its
32 requirements as determined by the regents institution.

33 CLOSED MEETINGS — REGENTS HEALTH CARE FACILITIES. Code
34 section 21.5(1)(1) is amended to include any health care
35 facility operated by a regents institution under the definition

1 of public hospital. The provision allows a governmental
2 body to hold a closed session, following a public vote, in
3 order to discuss patient care quality and process improvement
4 initiatives or to discuss marketing and pricing strategies
5 or similar proprietary information in a meeting of a public
6 hospital.

7 CONFIDENTIAL RECORDS. The bill adds a new provision to Code
8 section 22.7 to permit a public record to be kept confidential
9 if the record is proprietary intellectual property owned or
10 held under contractual agreements by the state board of regents
11 or a regents university.

12 STATE AGENCIES AND POLITICAL SUBDIVISIONS — COMPETITION
13 WITH PRIVATE ENTERPRISE. Code section 23A.2(10)(k) is amended
14 to provide that the activities of a regents institution or a
15 school corporation are exempt from the provisions prohibiting
16 competition with private enterprise whether the activities take
17 place on or off campus; and the activities include health care
18 and related services to patients and visitors by the university
19 of Iowa, and goods, products, or professional services
20 provided to the public in furtherance of the institution's or
21 school's mission. Current law exempts services provided at the
22 university, and requires that the goods, products, and services
23 be incidental to the school's teaching, research, and extension
24 missions.

25 LICENSURE — ELECTRICIANS EMPLOYED BY REGENTS INSTITUTIONS.
26 Code section 103.22(2) is amended to exempt electricians
27 employed by regents institutions from the electricians and
28 electrical contractor licensure requirements of Code chapter
29 103.

30 ADVERSE HEALTH CARE INCIDENTS — NOTIFICATION. Code chapter
31 135P provides a process by which a health care provider, or a
32 health care provider with a health facility, may confidentially
33 discuss an adverse health care incident with a patient. The
34 bill includes the university of Iowa hospitals and clinics in
35 the definition of health facility and extends from 180 days to

1 one year the time within which the notice of an offer to engage
2 in an open discussion must be sent to the patient. The bill
3 also provides that if an adverse health care incident occurs,
4 the facility may on its own provide such notice, and that a
5 facility may designate a person or class of persons to provide
6 the patient with written notice of the desire of the facility
7 to open discussion with the patient.

8 CONTINUOUS IMPROVEMENT — REGENTS UNIVERSITIES. Code
9 section 262.9(36) is amended to eliminate obsolete language
10 and to require that the board annually evaluate the student
11 outcomes assessment program rather than the effectiveness of
12 the plans.

13 INVESTMENTS BY REGENTS INSTITUTIONS. Code section 262.14(3)
14 is amended to permit funds belonging to a regents institution
15 to be invested in private enterprises if such investment is
16 done in furtherance of the institution's mission.

17 REGENTS RESOURCE CENTERS. The bill strikes a provision,
18 Code section 262.9(22), that requires the board to assist a
19 nonprofit organization located in Sioux City in the creation of
20 a northwest Iowa regents resource center. Code section 262.28
21 is amended to eliminate references to the regents resource
22 centers and to their ability to transfer moneys between
23 centers.

24 OWNERSHIP OR EQUITY INTERESTS. The bill creates new Code
25 section 262B.4 to authorize any regents institution to use its
26 retained earnings, or the retained earnings of an affiliated
27 entity, to acquire, hold, and dispose of ownership or equity
28 interests in entities that arise from research and development
29 efforts conducted at such institution in accordance with Code
30 chapter 262B.

31 SPECIAL SCHOOLS — FEES AND PAYMENTS. Code section 270.3
32 is amended to direct the state board of regents to set the
33 admission fees for nonresident students of the school for the
34 deaf. The bill also eliminates a provision that requires the
35 fees to be paid in advance. Currently, the fee is not less than

1 the average expense of resident pupils. Code section 270.4
2 is amended to eliminate reference to transportation costs for
3 students enrolled in the school for the deaf. These provisions
4 also apply to the braille and sight saving school. The bill
5 makes conforming changes.

6 REPORTS. Code section 8.44 requires state departments,
7 agencies, boards, and institutions receiving federal funds or
8 any other funds from any public or private sources to submit a
9 written report within 30 days after receipt of the funds to the
10 director of the department of management. The bill requires
11 the state board of regents to submit the written report on a
12 quarterly basis in the format specified by the director of the
13 department of management.

14 Code section 262.26 is amended to eliminate a requirement
15 that the state board of regents submit its report to the
16 governor and the legislature biennially, regarding the
17 facts, observations, and conclusions respecting each of
18 its institutions as in the judgment of the board should be
19 considered by the legislature.

20 2019 Iowa Acts, chapter 135, section 9, subsection 1,
21 paragraph "a", subparagraph (2), is amended to require that the
22 financial report the state board of regents must submit to the
23 general assembly and the legislative services agency monthly
24 shall instead be submitted quarterly.

25 The bill eliminates reports as follows: Code section
26 262.9B(5) (cooperative purchasing plan and results of quarterly
27 interagency meetings report to the general assembly and the
28 governor), Code section 262.24 (executive officers' reports to
29 the state board of regents), Code section 262.25 (secretarial
30 officers' report to the state board of regents), Code section
31 263.17(4)(b) (center for health effects of environmental
32 contamination advisory committee report to the legislative
33 council of the general assembly), Code section 266.39E(3)
34 (beginning farmer center report to the general assembly), and
35 Code section 267A.7 (local food and farm program coordinator's

1 report to the governor and general assembly).

2 REPEALS. The bill repeals several Code provisions.

3 The bill repeals Code section 270.5, which requires the
4 superintendent of the school for the deaf to certify to the
5 director of the department of administrative services the
6 amounts due from counties. The provision requires the director
7 to credit the amounts due to the general fund of the state,
8 and to charge the amount to the proper county. The bill makes
9 conforming changes.

10 The bill repeals Code sections 270.6 and 270.7, which
11 require the superintendent of the school for the deaf to send
12 a duplicate copy of the certification to the affected county
13 auditors, who shall collect and pay the amounts due into the
14 county treasury; and require the county auditor to pass it
15 to the credit of the state, and issue a notice to the county
16 treasurer authorizing transfer of the amount to the general
17 state revenue. Code section 270.7 also provides a penalty
18 against counties that fail to pay the amounts due. The bill
19 makes a conforming change.

20 The bill repeals Code chapter 256G, which provides
21 legislative intent, and requires the university of northern
22 Iowa and the Cedar Falls school district to develop a student
23 transfer policy for the research and development school, makes
24 the board of regents the governing entity of the research and
25 development school, makes the department of education the
26 accreditation agency for the school, and creates an advisory
27 council. The bill makes conforming changes.